



Red River Valley & Western

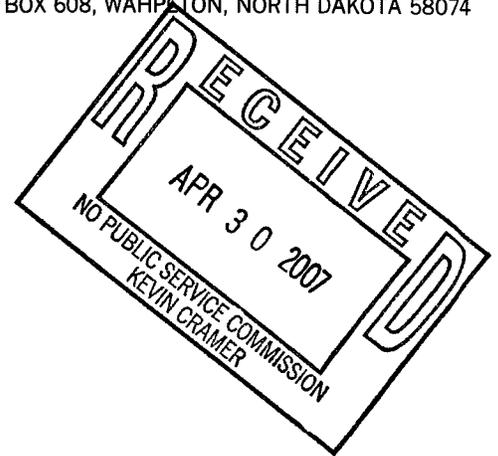
RAILROAD COMPANY

TELEPHONE: (701) 642-8257

P.O. BOX 608, WAHPETON, NORTH DAKOTA 58074

April 27, 2007

Mr. William W. Binek
Chief Counsel
North Dakota Public Service Commission
600 East Boulevard Ave, Dept 408
Bismarck, ND 58505-0480



Dear Mr. Binek:

Enclosed find the Red River Valley & Western Railroad's Annual Report. Not all the information requested in the Public Service Commission's General Annual Report has been provided. We believe the information not provided is confidential and we are very concerned about the fact that any information provided to the Public Service Commission is generally open to the public. Should the information not provided be necessary for your Public Service Commission purposes, we would request a protective confidentiality order and we would promptly provide the information.

Sincerely,


Andrew J. Thompson
President

Enclosure



ANNUAL REPORT OF CLASS II AND III RAILROADS
NORTH DAKOTA PUBLIC SERVICE COMMISSION
 SFN 14356 (03-03)

File No.

Business Name Red River Valley & Western Railroad Co.	For Year Ended 2006
Business Address P O Box 608, Wahpeton, ND 58074-0608	Business Telephone Number 701-642-8257

Instructions: Complete this form in duplicate and return the original to the ND Public Service Commission, 600 E Boulevard Ave., Dept. 408, Bismarck ND 58505-0480. Return it no later than the 15th day of the fourth month following the close of the year for which this report is filed.

General Information

1. Provide the names and addresses of owners, partners, or top five corporate officers.

Name	Address
Kent P. Shoemaker, Chairman	6566 France Ave S, #1011 Edina, MN 55435
William F. Drušch, CEO	8441 Wayzata Blvd, #115 Golden Valley, MN 55426
Andrew J. Thompson, President & COO	P O Box 608, Wahpeton, ND 58074-0608
Daniel L. Zink, Assistant Secretary	P O Box 608, Wahpeton, ND 58074-0608
Sharon L. Trudell, Vice-President, Marketing	515 Minnesota Ave, Breckenridge, MN 56520

2. Provide the names and addresses of owners, partners, or stockholders with 20% or more ownership of the company.

Name	Address
Douglas M. Head	1616 W 22nd Street Minneapolis, MN 55405

I certify that to the best of my knowledge and believe that this is a true and correct report.

Name Andrew J. Thompson	Signature <i>Andrew J. Thompson</i>
Title President & COO	Date 4-27-07

File No.

Company Statements

3. Condensed Balance Sheet (system)

Asset Side	Balance at End of Year	Liability and Equity Side	Balance at End of Year
Current Assets	11,209,671	Current Liabilities	
Other Assets/Deferred Charges		Non-Current Liabilities	
Transportation Property – Net	6,886,843	Stockholders' Equity	
Total Assets	18,096,514	Total Liabilities and Equity	18m096,514

4. Condensed Operating Statement (system)

	Balance at End of Year
Railway Operating Revenues (from revenue schedule below)	
Less: Railway Operating Expenses (from schedule A – attached)	
Net Income from Railway Operations	
Less: Net Rentals	
Railway Income Tax Accruals	
Net Railway Operating Income	

Additional Data and Statistics

5. Railway Operating Revenues

	North Dakota Intrastate	System Wide
Freight		
Switching		
Demurrage		
Incidental		
Total		

	North Dakota Intrastate	System Wide
6. Miles of road owned and operated at year end	453	456
7. Miles of road operated under trackage rights	86.5	86.5
8. Miles of road discontinued during the year		
9. Expenditures for maintenance of way during the year		\$4,855,295

10. Operating Statistics

	System Wide
Gross Ton Miles	
Train Miles	
Car Miles	
Car Days	
Road Locomotive Hours	
Yard Locomotive Switching Hours	
Trailer/Container Days	

11. Equipment Inventory

	Owned	Leased
Road Locomotive Units	4	9
Yard Locomotive Units		2
Freight Cars		
Covered Hopper	118	6
Open Hopper	29	
Other	4	
Trailers/Containers		

File No.

Schedule A
Railway System Operating Expenses

Maintenance of Way & Structures	→	→	→	→	→	→	→	→	→	4,855,295
Maintenance of Equipment:										
Locomotives	→	→	→	→	→	→	→	→	→	1,320,034
Freight Cars	→	→	→	→	→	→	→	→	→	116,617
Trailers & Containers	→	→	→	→	→	→	→	→	→	
Other	→	→	→	→	→	→	→	→	→	
Total Maintenance of Equipment	→	→	→	→	→	→	→	→	→	1,436,651
Transportation: No Separation Available										
Train & Engine Crews	→	→	→	→	→	→	→	→	→	1,666,514
Yard Crews	→	→	→	→	→	→	→	→	→	
Locomotive Fuel: No Separation Available										
Train Operations	→	→	→	→	→	→	→	→	→	
Yard Operations	→	→	→	→	→	→	→	→	→	
Total Locomotive Fuel	→	→	→	→	→	→	→	→	→	866,523
Other Transportation: No Separation Available										
Train Operations	→	→	→	→	→	→	→	→	→	
Yard Operations	→	→	→	→	→	→	→	→	→	
Total Other Transportation	→	→	→	→	→	→	→	→	→	2,152,291
Total Transportation	→	→	→	→	→	→	→	→	→	4,685,328
General Administration & Overhead:										
Central Office Personnel	→	→	→	→	→	→	→	→	→	
Property Taxes	→	→	→	→	→	→	→	→	→	510,073
Fringe Benefits	→	→	→	→	→	→	→	→	→	
Other	→	→	→	→	→	→	→	→	→	2,227,830
Total Other General Administration & Overhead	→	→	→	→	→	→	→	→	→	2,737,903
Total System Expenses	→	→	→	→	→	→	→	→	→	13,715,177

Schedule B - System Revenue Freight Handled During the Year 2006

a:carloads 2006 psc report

	Originating		Terminating	
	<u>Carloads</u>	<u>Tons</u>	<u>Carloads</u>	<u>Tons</u>
Wheat	6606	660600	1322	132200
Durum	31	3100	1546	154600
Sunflowers	51	3570	71	4970
Corn	10208	1020800	3917	391700
Soybeans	8136	813600	1589	158900
Barley	718	68210	269	25555
Other grn	7	700		0
Edible beans, peas	201	20100	0	0
Flour		0	886	88600
Corn Syrup	6030	663300		0
Sugar	2235	223500		0
Feed & Mill by-product	1790	179000		0
Beet pellets	1066	101270		0
Molasses	187	18700		0
Steepwater	288	28800		0
Noodles	4	300		0
Fertilizer		0	847	84700
Coal	0	0	1436	143600
Steel	80	8800	1284	141240
Scrap	586	58600	338	33800
Propane		0	154	11550
Chemicals		0	93	9300
Lumber		0	224	20160
Machinery		0	49	3185
Plastic		0	39	2925
Gravel		0	703	70300
Miscellaneous	172	17200	440	44000
Totals	38396	3890150	15207	1521285

Schedule C - North Dakota Revenue Freight Handled During the Year 2006

	Originating		Terminating	
	<u>Carloads</u>	<u>Tons</u>	<u>Carloads</u>	<u>Tons</u>
Wheat	4103	410300	1176	117600
Durum	31	3100	1546	154600
Sunflowers	51	3570	71	4970
Corn	7747	774700	2905	290500
Soybeans	5283	528300	1118	111800
Barley	718	68210	269	25555
Other grn	7	700		0
Edible beans, peas	201	20100	0	0
Flour		0	886	88600
Corn Syrup	6030	663300		0
Sugar	2235	223500		0
Feed & Mill by-product	1790	179000		0
Beet pellets	1066	101270		0
Molasses	187	18700		0
Steepwater	288	28800		0
Noodles	4	300		0
Fertilizer		0	815	81500
Coal	0	0	1436	143600
Steel	80	8800	1284	141240
Scrap	586	58600	338	33800
Propane		0	154	11550
Chemicals		0	93	9300
Lumber		0	224	20160
Machinery		0	38	2470
Plastic		0	39	2925
Gravel		0	703	70300
Miscellaneous	172	17200	369	36900
Totals	30579	3108450	13464	1347370